



WISCONSIN REGULATORY DIGEST

A Publication of the DEPARTMENT OF REGULATION AND LICENSING FOR AUCTIONEERS AND AUCTION COMPANIES

Volume 5, No. 1

September, 1999

A Message From the Board Chair Richard O. Lust

This issue of the Regulatory Digest contains information about administrative rule changes. These rules are promulgated by the Department; however, the Board supported all of the changes, except for requiring additional postings at the auction and replacing the term "buyer's premium" with the term "buyers fee." We weren't convinced that this term misleads the public. Nevertheless, Secretary Marlene Cummings strongly disagreed. Therefore, the change was made. You may no longer use the words "buyer's premium" in your advertising. In lieu of these words, you should use "buyer's fee" or "buyer's surcharge." Using one of these terms should make it clearer to buyers that they will not receive some kind of a gift or premium, but that they will have to pay an additional percentage amount on each purchase. Who knows; perhaps, we will lead the nation on this change and bring into common usage a more accurate expression. We now have a good opportunity to evaluate the actual impact of this change on auction buyers.

There were about 26 auctioneers who renewed their registration certificate without having completed the correct continuing education. The Board has reviewed the circumstances relating to these renewals and has taken

immediate action to assure that these auctioneers do not practice in Wisconsin until they obtain the required education. The Board will pursue disciplinary action against those who do not cooperate.

The continuing education was a one-time affair. Auctioneers are not required to complete continuing education during the 1999-2000 registration period. The only auctioneers who must satisfy the requirement are those whose registration expired on December 31, 1998, and who wish to renew at any time before December 31, 2003. They will have to complete the continuing education or the test-out exam before being permitted to renew.

Temporary Registration Certificates

A new registrant may obtain a temporary registration certificate without having passed the registration examination; however, this certificate is only valid for one year. During the one-year period, the person must take and pass the registration examination or the person will not be able to be registered beyond one year. The fee for the temporary registration is \$10.

Reciprocal Agreements

Auctioneers in another state who qualify for a reciprocal credential are not required to pass the Wisconsin examination. They may obtain a reciprocal registration by submitting an application and a \$100 fee.

The State of Wisconsin has entered into reciprocal licensing agreements with the State of Texas and the Commonwealth of Kentucky. These agreements will make it a bit easier for a Wisconsin auctioneer to obtain an auctioneer's license in these two states.

THE WISCONSIN AUCTIONEER BOARD

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Contents

A Message From the Board Chair	1
Board Member Roster	1
Temporary Registration Certificates	1
Reciprocity Agreements	1
Legislative Changes	2
Statistics	2
Disciplinary Actions	2
Revised Administrative Rules	2
Telephone Directory and Miscellaneous	8

The Department and the Board have sent letters to other states, inviting them to also enter into reciprocal agreements. Some have turned us down, because they believe our auctioneer laws are not substantially equivalent to their laws. Others have not responded to our invitation.

Legislative Changes

The Department, with the recommendation of the Board, has requested legislation to be drafted and introduced that will to permit auctioneers to abbreviate “registered Wisconsin auctioneer” in their ads. Also, being drafted is a legislative initiative that permits children under the age of 18 to call auctions under the direct, on-site supervision of a registered auctioneer who is their parent, stepparent, grandparent, brother, sister, uncle, aunt or legal guardian. *The Legislature must pass new laws for these practices to become legal; however, the board, generally, does not discipline a registrant who abbreviates “registered Wisconsin auctioneer.”*

Statistics

Complaints received from 1/1/99 to 6/22/99 - 16

Registered auctioneers - 1341

Registered auction companies – 215

Revised Administrative Rules

The following pages contain amended rules that became effective on August 1, 1999. The Board expects you to

begin following them immediately after receipt of this newsletter. You may want to insert them in the gray statute and rule book that was sent to you with your original registration certificate. You should especially note the following:

RL 120.02 (4) – Definition of “Buyer’s fee or surcharge.”

RL 120.02 (12) – Definition of “Trade name.” (moved from 121.07)

RL 123.03 – Advertising. (**Important changes!**)

RL 125 – The chapter title is changed and requirements pertaining to records (with or without a trust account) are clarified.

RL 126.02 (12) and (13) – **Important, new requirements for posting notices at the location of an auction.**

Disciplinary Actions

ABID M. BUTT

MANASSA VA

SUSPEND ONE YEAR/COSTS

Made a material misstatement in his application for a certificate by stating in his auctioneer registration application that no licensing or other credentialing agency had ever taken disciplinary action against him, when he had been disciplined in both Virginia and Texas. Effective 4/26/99. Sec. 480.24(2)(a), Stats. Case #LS9711201AUC

Department of Regulation and Licensing
Auctioneers and Auction Companies
P.O. Box 8935
Madison, WI 53708-8935

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Telephone Directory

The Division of Business Licensure & Regulation has a menu telephone system which is designed to more efficiently direct the caller to the appropriate section. The telephone number for staff is:

(608) 266-5511

After dialing this number you are asked to press 1, 2, 3 or 4. For the following requests, please press extension numbers as noted:

Application Forms	Ext. 11
Complaints Against Licensees	Ext. 12
Whether A Person Is Registered	Ext. 442
Application Processing & Requirements	Ext. 43

Fax Number (608) 267-3816

Board Meetings

Usually the 4th Monday of every other month.

Requests for verifications of license, sent to other states must be in writing. The cost is \$10. Please make out check or money order to the Department of Regulation and Licensing.

Visit the Department's Web Site

<http://badger.state.wi.us/agencies/drl/>
Send comments to dorl@drl.state.wi.us

Wisconsin Statutes and Code

Copies of the "Statutes and Administrative Code Relating to the Practice of Auctioneers and Auction Companies" can be ordered from the Department.

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Include your name, address, county and a check payable to the Department of Regulation and Licensing in the amount of \$5.28. The latest edition is dated April, 1997.

Change of Name or Address?

Please photocopy the mailing label of this digest, make changes in name or address, and return it to the Department. Confirmation of changes are not automatically provided.

WIS. STATS. S. 440.11 ALLOWS FOR A \$50 PENALTY TO BE IMPOSED WHEN CHANGES ARE NOT REPORTED WITHIN 30 DAYS.

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